

LUDWIG-MAXIMILIANS-UNIVERSITÄT MÜNCHEN

WIRTSCHAFTS- UND ORGANISATIONSPSYCHOLOGIE ECONOMIC AND ORGANISATIONAL PSYCHOLOGY CHAIR: PROF. DR. FELIX BRODBECK



WOP Working Paper No. 2013 / 5

Morals Matter in Economic Decision Making Games

Felix C. Brodbeck

Katharina G. Kugler

Julia A. M. Reif,

Markus Maier

Ludwig-Maximilians-Universitaet Muenchen

Reference:

Brodbeck, F. C., Kugler, K. G., Reif, J. A. M., & Maier, M. A. (2013). Morals Matter in Economic Games. *Plos One, 8*, 1-19. doi:10.1371/journal.pone.0081558

Authors Note

We would like to express our thanks to Tom Schiebler and Gesa Petersen for their support.

This research was conducted at the "Munich Experimental Laboratory for Economic and Social Sciences" as well as the "Virtual Lab" of the Department Psychology, Ludwig-Maximilians-Universitaet Muenchen, Munich, Germany. Parts of the research described in this paper were presented at the Conference of the German Psychological Society, 2010, Bremen, Germany.

Correspondence concerning this article should be sent to: Felix C. Brodbeck at the following address: Leopoldstr. 13, 80802 Munich, Germany, Phone: +49(0)89/2180-5201, Fax: 49(0)89/2180-6347. Electronic mail may be sent to: brodbeck@psy.lmu.de

Abstract

Contrary to predictions from Expected Utility Theory and Game Theory, when making economic decisions in interpersonal situations, people take the interest of others into account and express various forms of solidarity, even in one-shot interactions with anonymous strangers. Research about such other-regarding behavior is dominated by behavioral economical and evolutionary biological approaches. Psychological theory building, which addresses mental processes underlying other-regarding behavior, is rare. Based on Relational Models Theory (RMT, Fiske, 1992) and Relationship Regulation Theory (RRT, Rai & Fiske, 2011) it is proposed that moral motives influence individuals' decision behavior (only) in interpersonal situations via conscious and unconscious (automatic) processes. For testing our propositions the 'Dyadic Solidarity Game' and its solitaire equivalent, the 'Self-Insurance Game', were developed. Four experiments, in which the moral motives "Unity" and "Proportionality" were manipulated, support the propositions made. First, it was shown that consciously (via framing of the overall goal of the experiment) and unconsciously (via subliminal priming) activated moral motives influence other-regarding behavior. Second, this influence was only found in interpersonal, not in solitaire situations. Third, by combined analyses of the two experimental games the extent to which participants apply the Golden Rule ("treat others how you wish to be treated") could be established. Individuals with a "Unity" motive treat others like themselves, whereas individuals with a "Proportionality" motive give others less then they give themselves. The four experiments not only support the assumption *that* morals matter in decision making games, they also deliver new insights in how morals matter.

Keywords: Economic decision games; relational models theory; relationship regulation theory; moral motives; other-regarding behavior

Morals Matter in Economic Decision Making Games

In neoclassical economic theories about decision making humans are conceived as selfinterested, rational utility maximizers, who behave respectively when making decisions in interpersonal situations. The latter is modeled by game theory (von Neumann, 1928; for a review see Rasmusen, 2007). However, ample empirical evidence exists, from evolutionary biology (e.g., Nowak, 2006), behavioral economics (e.g., Fehr & Schmidt, 2006), and more recently also from neurobiology and neuro-economics (e.g., Penner, Dovidio, Piliavin, & Schroeder, 2005; Rangel, Camerer, & Montague, 2008), which demonstrates that people take the interest of others into account, are sensitive to norms of cooperation and fairness, and express various forms of solidarity with others when making decisions in interpersonal situations like economic decision making games, even when anonymous strangers are involved and when interaction is singular (i.e., one-shot games).

A common subject of interest across the disciplines cited is referred to as *other-regarding behavior*, that is, the apparent concern of agents for outcomes and behaviors affecting others, expressed behaviorally, for example, by giving others a share of windfall gains in the Dictator Game (Forsythe, Horowitz, Savin, & Sefton, 1994) or in the Solidarity Game (Selten & Ockenfels, 1998), by contributing to a public pool or by punishing defectors in the Public Good Game (e.g., Fehr & Gächter, 2000; Henrich, 2006; Henrich et al., 2005). Across all above cited disciplines, psychological processes are commonly assumed, or post hoc concluded, to underlie the activation and regulation of other-regarding behavior (e.g., altruistic motives, strategic considerations of reputation building, social norms for cooperation and fairness). However, attempts to actually integrate psychological theorizing in the domain of other-regarding behavior are seldom (for an exception, see Haidt, 2001, 2007) and experimental studies investigating *psychological mechanisms*, which underlie the enactment of other-regarding behavior, are rare

WOP Working Paper No. 2013 /5

(for exemptions see Falk, Fehr, & Fischbacher, 2008; Mellers, Haselhuhn, Tetlock, Silva, & Isen, 2010).¹

This state of affairs leaves important questions unanswered. What are the psychological antecedents and mechanisms underlying other-regarding behavior in interpersonal decision making, alongside evolutionary predisposition, neurobiological hardwiring, and rational choice paradigmatic modeling? How is other-regarding behavior psychologically triggered and regulated in interpersonal situations of decision making? And, of what nature are the underlying psychological processes, are they automatic or conscious, or both? Our research was inspired by this lack of psychological theory building in the area of other-regarding behavior, which is currently dominated by economical and biological approaches.

We identified two psychological theories, notably Relationship Regulation Theory (RRT, Rai & Fiske, 2011), and its precursor, Relational Models Theory (RMT, A.P. Fiske, 1992), which address psychological mechanisms underlying peoples' constructions of social relationships, and how these influence the formation and enactment of other-regarding behavior. In a series of four experiments (plus two pilot experiments) we implemented experimental paradigms, based on the Solidarity Game (Selten & Ockenfels, 1998), and tested three propositions, derived from RRT

¹ Bazerman and Malhotra (2006) go as far as arguing that psychological findings are widely neglected by economic researchers as well as by economic and organizational policy makers. In their review of common myths in economic decision making research, the authors conclude that basic assumptions which are commonly shared among economic researchers are myths according to well established psychological findings, such as the assumptions that individuals have stable and consistent preferences, know their preferences, or behaviorally pursue known preferences with volition. Most notable is the myth that "credible empirical evidence consists of outcome data, not of mechanism data [which] ignores the fact that psychological mechanisms predict behavior and outcomes" (p. 278).

and RMT, about the activation and regulation of other-regarding behavior in one-shot economic decision making games involving strangers.

In the following the current state of theory building about antecedents of other-regarding behavior and their impact on decision making, exemplified in economic decision making games, is outlined. The discussion covers theoretical developments from evolutionary biology, neurobiology, and behavioral economics (for current reviews of these fields, see Fehr & Schmidt, 2006; Nowak, 2006; Rangel et al. , 2008; Tomasello & Vaish, 2013) and delineates the scope for psychological theorizing. Based on Rai and Fiske's (2011) RRT, Fiske's (1992) RMT, and Haidt's (2001, 2007) synthesis of moral psychology, we develop our theorizing about psychological variables regulating other-regarding behavior. Thereby, we present three propositions, which address the questions raised above.

Cooperation through Self-Interest and Beyond

Early evolutionary biology informs us that self-interest of genes can result in altruism of people via *kin selection* (Dawkins, 1976) and *reciprocal altruism* (Trivers, 1978). While an altruistic act is costly for the giver but beneficial to the receiver, reciprocal altruism, in its original sense (Trivers, 1971), has been defined as an exchange of altruistic acts between the same two individuals, so that both obtain a net benefit. The concept of reciprocal altruism was carried on – with a slight change in connotation, from altruism to cooperation – by behavioral economists and evolutionary biologists under the term *direct reciprocity* ("You scratch my back, and I'll scratch yours"). It describes how individual self-interest can result in cooperation among people who are strangers to each other. However, for cooperation to develop via direct reciprocity, repeated interaction as well as benefits for each party, to satisfy their self-interest, are necessary preconditions. In economic terminology, for cooperation to occur among strangers the

5

probability of another encounter between the same two individuals has to exceed the cost-tobenefit ratio of the altruistic act (cf. Nowak, 2006).

Up to here, peoples' other-regarding behavior is perceived to stem from a biological predisposition to maximize one's own benefit and from strategic and rational considerations related to reputation building in order to pursue one's self-interest during *repeated* interactions with the same other. While direct reciprocity is modeled in behavioral economics via game theory and its derivatives, forms of so called *indirect reciprocity* are harder to explain. As Nowak and Sigmund (2005) note, "it is harder to make sense of the principle 'You scratch my back and I'll scratch someone else's' or 'I scratch your back and someone else will scratch mine'" (p. 1291). The first route of indirect reciprocity can be based on reputation building through 'gossip' (e.g., Dunbar, 1996) and a person's conscious and rational consideration of its effects on herself (i.e., "presumably I will not get my back scratched if it becomes known that I never scratch anybody else's"). However, the second route puzzles researchers, because it requires answers to the question of "why should anybody care about what I did to a third party?" (Nowak & Sigmund, 2005, p. 1291).

Gintis (2000) presented an answer to this question by introducing the concept of *strong reciprocity* as a human trait, which operates beyond self-interest and strategic considerations for reputation building. It is defined as a predisposition to cooperate with others, and it results, for example, in kind behavior to those, who are being kind (strong positive reciprocity), or punishment behavior, when norms of cooperation and fairness are violated (strong negative reciprocity). Fehr, Fischbacher, and Gächter (2002) point out that the "essential feature of strong reciprocity is a willingness to sacrifice resources for rewarding fair and punishing unfair behavior even if this is costly and provides neither present nor future material rewards for the reciprocator" (p. 3).

Strong reciprocity is also shown during *one-shot interaction* among strangers and when not being directly involved, as in so called *third party punishment* or *reward* (Fehr & Fischbacher, 2004). People seem to derive direct satisfaction, with respective neurobiological correlates, from punishment of norm violations (Fehr & Fischbacher, 2004) and they experience an inner "warm glow", again with respective neurobiological correlates, from complying to normative prescriptions, for example, by giving to charity or public goods, even when it is mandatory tax-like deduced (Harbaugh, Mayr, & Burghart, 2007). Furthermore, research shows that strong reciprocity operates across many cultures, even when investigating non-student populations in non-industrialized societies or communities (Henrich et al., 2005).

Some researchers have argued that strong reciprocity might be unique to humans, speaking to a self-regarding nature of animals, including primates like chimpanzees (e.g., Fehr & Fischbacher, 2003; Hamann, Warneken, Greenberg, & Tomasello, 2011; Jensen, Call, & Tomasello, 2007). However, by raising the question of how strong reciprocity might have been naturally evolved, Brosnan and de Waal (2003) and Brosnan (2006) present empirical evidence that non-human primates (capuchin monkeys, chimpanzees) are more interested in their relative benefit in comparison with a conspecific partner, than in absolute benefits. These studies not only provided a beginning for the exploration of a 'sense of fairness' in nonhuman species, they also align with recent theories about the evolution of human cooperation and morality in general (Tomasello & Vaish, 2013) and strong reciprocity in response to another's pain, need, or distress in particular (i.e., "directed altruism", de Waal, 2008), which both support Gintis' (2000) trait concept of strong reciprocity as a predisposition of humans to cooperate with others.

How Morals Come into Play

Research from evolutionary biology and behavioral economics suggests that strong reciprocity is a powerful mechanism underlying cooperation among strangers, even in one-shot

interactions. On the one side, from evolutionary biology, which is guided by the aim to explain the emergence of human societies (the up to now latest stage of evolution), the assumption is drawn that strong reciprocity is connected with the *origins* of pro-social motivations and moral norms (e.g., Gächter & Herrmann, 2009; Nowak & Sigmund, 2005; Tomasello & Vaish, 2013). On the other side, from research in behavioral economics the assumption is drawn that strong reciprocity is a powerful device for the *enforcement* of moral norms and pro-social motivations (e.g., for sharing of resources and risk, for collective action) in interpersonal situations of economic decision making (cf. Fehr et al., 2002). Nevertheless, for understanding how otherregarding behavior is regulated within the individual human mind, the approaches from evolutionary biology, which commonly address the *biological origins* of social motivation and moral norms, and approaches from behavioral economics, which commonly address possibilities of *contextual shaping* of social motivation and moral norms, need to be complemented by theoretical approaches, which directly address the *psychological* (i.e., cognitive, motivational, emotional) mechanisms underlying the individual regulation of other-regarding behavior via social motivations and moral norms. Recently presented theories of moral psychology (e.g., Fiske, 1992; Haidt, 2001; Rai & Fiske, 2011) appear a perfect fit for the study of the roles and functioning of moral norms and social motivations assumed to shape the expression of otherregarding behavior in interpersonal situations of decision making.

The capacity for internalizing moral norms and developing social motivations seems to be a human universal (e.g., Brown, 1991). What makes things complicated is, that the structure and content of moral norms are culture specific (e.g., Haslam, 2004), and their enactment appears to be strongly situation specific (Fiske, 1992; Rai & Fiske, 2011; Haidt, 2007). This makes it difficult to develop a universal psychological theory about antecedents and mechanisms underlying the formation and regulation of peoples' other-regarding behavior. Recent developments in moral psychology appear helpful to address these difficulties because they open new avenues of research about other-regarding behavior and the achievement of cooperation among strangers. One such approach is proposed by Haidt (2007) in his 'new synthesis in moral psychology', and another one by Rai and Fiske (2011) who propose that 'moral psychology is relationship regulation', thereby presenting Relationship Regulation Theory (RRT), which overlaps strongly with its precursor Relational Models Theory (RMT, Fiske, 1992).

In the following chapters we derive theoretical propositions from Haidt's (2007) synthesis, Fiske's (1992) RRT, and Rai and Fiske's (2011) RMT, thereby developing step by step our psychological theorizing. Thereafter, each proposition is made subject to repeated experimental testing in a series of one-shot economic decision making games involving strangers.

Moral Motives Determine Other-regarding Behavior

Rai and Fiske (2011) argue that understanding the universal nature of morality while also acknowledging the worldwide disagreement about moral considerations requires the investigation of culturally universal kinds of *relationship regulation* people employ to identify moral obligations and prohibitions in their respective social contexts. The authors propose four universal and distinct moral motives which correspond to the four relational models formulated by RMT (Fiske, 1992). Each of the four basic moral motives comprises the relevant set of moral obligations entailed in the corresponding relational models. Rai and Fiske (2011) use the term "motive" to indicate that RRT provides not only explanations for moral evaluations but also for the motivational forces to pursue the behaviors required to regulate and sustain social relationships respectively. The moral motives formulated by RRT are directed toward *Unity*, *Hierarchy*, *Equality*, and *Proportionality*. When relevant social relationships are absent, not activated or not attended to, no kind of moral motive is salient (i.e., *Null* morality) which leads to

moral indifference, as apparent, for example, in dehumanization or social disengagement (Fiske, 1992; Haslam, 2006).

Unity is the moral motive embedded in Communal Sharing (CS) relational models and serves as other-regarding motivation to care for and support in-group members by avoiding threats and providing aid based on need or empathic compassion. *Hierarchy* is the moral motive embedded in Authority Ranking (AR) relational models and serves as other-regarding motivation for creating and maintaining linear ranking in social groups (e.g., subordinates are motivated to respect and obey the will of superiors, these in turn are motivated to lead and protect subordinates). Equality is the moral motive embedded in Equality Matching (EM) relational models and serves as other-regarding motivation for enforcing equal balance and forms of reciprocity in social relations (e.g., "scratch my back and I will scratch yours" or "pursuing eyefor-an-eye forms of revenge", Rai & Fiske, 2011). Proportionality is the moral motive embedded in Market Pricing (MP) relational models and serves as other-regarding motivation for judgments to be based on a utilitarian calculus of costs and benefits and rewards and punishments to be proportionate to relative merit or opportunity. The relational models, which form the base of moral motives, are distinct categories and usually, people apply one dominating model or a combination of models when interacting in social contexts (Fiske, 1992).

These constructions of relationship regulation, with their embedded moral motives, are universal, but cultures and individuals may differ in which contexts or situations respective motives are activated and how they are implemented and enacted (Rai & Fiske, 2011). Unlike other theories of moral behavior (e.g., Haidt, 2007; Hauser, 2006; Turiel, 1983) RRT predicts that any action (even apparent violence, unequal treatment or apparently strong forms of selfishness) can be perceived as morally correct depending on how the relevant interpersonal relationships are constructed and what moral motives are employed by an individual in a given social context. This means, for example, that fairness does not necessarily imply impartiality and equal treatment, as it appears to be assumed by Haidt (2007) or Turiel (1983). In contrast, RRT predicts that equal treatment and impartiality will only be judged as fair by a person, if she employs an Equality motive. Equal treatment, as for example, in the sharing of resources or responsibilities, would be morally prohibited when a person is employing a Hierarchy motive, whereby superiors are entitled to greater shares and responsibilities (e.g., Fiddick & Cummins, 2007, discussed in more detail below), or a Proportionality motive, whereby shares and responsibilities are to be distributed by relative merit or contribution, or a Unity motive, whereby in-group members feel entitled to preferential treatment over out-group members².

The extent to which an actor shows a particular other-regarding behavior (e.g., in the form of solidarity, altruism, pure self-interest, or third party punishment), in an economic decision making game, is shaped by the actor's perception and definition of the situation, which according to RRT and RMT is formed by basically four kinds of relational models (CS, EM, AR, MP) with their respective moral motives (Unity, Equality, Hierarchy, Proportionality) embedded in them. Depending on the moral motive predominantly activated, respective motivational-cognitive processes structure the actor's subjective perception of a given interpersonal situation and evoke corresponding moral motives, which are expressed behaviorally in a given interpersonal decision making context.

Proposition 1. The expression of particular other-regarding behaviors in one-shot economic decision making games is determined by the kind of moral motive that is activated (or salient) within an actor's mind.

² The often found incommensurability of different moral motives does not imply that there are no immoral motives. Individuals can violate the requirements of moral motives within their respective social contexts (e.g., due to temptations or shortsighted self-interest). Such action is considered a genuine moral violation in RRT.

While predictions from RMT have been explored and tested in a wide array of social situations and content domains (for reviews, see Fiske, 1992; Rai & Fiske, 2011, for a bibliography of relevant studies, see www.rmt.ucla.edu) experimental studies about interpersonal economic decision making, employing assumptions derived from RMT, are rare. The few studies currently available support the proposition, that relational models, once made salient to the actor (e.g., by framing or cueing of characteristics of the situation or the agents involved) influence emotional reactions toward others, evaluations about others' behaviors, and decision making behavior in interpersonal situations. In an experimental study about mental accounting participants accepted proposals to buy objects acquired in MP relationships (pertaining to Proportionality motives) as routine, whereas the same proposals in CS (Unity), AR (Hierarchy), and EM (*Equality*) relationships triggered distress and erratically high dollar valuations (McGraw, Tetlock, & Kristel, 2003). In three experiments about consumer evaluations of consumer brands and their practiced type of customer relations management (CS-Unity versus a mixture of EM- Equality and MP-Proportionality motives), Aggarwal (2004) provides support for the assumption that relational models influence brand evaluations by customers. And, in a series of five experiments, Fiddick and Cummins (2007) show that establishing AR (*Hierarchy*) norms (in the sense of "noblesse oblige") predicts behavioral tolerance of free riding (of 'subordinates') better than self-interest does.

To the best of our knowledge, no experiments about other-regarding behavior in economic decision games have been published (yet), which explicitly refer to RRT. However, RMT and RRT strongly overlap conceptually, in that moral evaluations, as specified in RMT, are intertwined with motivational forces to pursue the behaviors required to regulate and sustain social relationships accordingly, as specified in RRT. Thus, findings reported with respect to predictions derived from RMT, pertaining to CS -, AR -, EM -, and MP - relational models are likely to be of high relevance for predictions derived from RRT, pertaining to *Unity*, *Hierarchy*, *Equality*, and *Proportionality* moral motives respectively.

Other-regarding Behavior Needs no Rational Footing

Haidt (2001, 2007) draws on Zajonc's (1980) dictum, "preferences need no inferences" and the works from Bargh and Chartrand (1999) and Fazio, Sanbonmatsu, Powell, and Kardes (1986), when arguing that a useful distinction in moral psychology is between "moral intuition" and "moral reasoning". Moral intuition refers to an automatic and often affect-laden process, as a result of which an evaluative feeling (e.g., good or bad, prefer or reject) appears in consciousness. In contrast, moral reasoning is a controlled and often less affective conscious process by which information about relationships and peoples' actions is transformed into a moral judgment or decision. Furthermore, a particular sequence of events is suggested, such that moral reasoning is usually a post-hoc process in which people search for evidence to support (less often to disconfirm) their initial intuitive reaction (i.e., the 'intuitive primacy principle'; Haidt, 2001, 2007). Empirical support for the intuitive primacy principle is seen in, for example, neurobiological evidence demonstrating people's nearly instant implicit reactions to moral violations (e.g., Luo et al., 2006), the high predictive power of affective reactions for moral judgments and behaviors (e.g., Sanfey, Rilling, Aronson, Nystrom, & Cohen, 2003), and further evidence from cognitive psychology, showing a disparity of 'feeling that something is wrong', while not being able to say 'why it feels wrong' (Cushman, Young, & Hauser, 2006).

On the basis of these considerations about moral intuition and moral reasoning, we argue, that for situations in which relationship regulation is required, as for example in economic decision games, both types of processes, automatic and conscious, are involved with the activation of particular relational models and respective moral motives, and the expression of appropriate other-regarding behavior³. Rai and Fiske (2011) touch the distinction between moral intuition and moral reasoning only briefly, to make the point, that both are not based on asocial principles of right actions, as is proposed by Hauser (2006) or Mikhail (2007), or on concerns with "purity", as is proposed by Haidt (2007). Instead, the authors *define* moral intuition *and* moral reasoning by the particular types of relational models and respective moral motives that are evoked (or salient) in an individual's mind when confronted with a particular interpersonal situation of decision making. Although not explicitly formulated as part of RRT, from the earlier theoretical and empirical work about RMT, it can be inferred that relational models function consciously *and* unconsciously (automatically), which includes unconscious processes of prototype formation and automatic categorization (Fiske & Haslam, 1992; Haslam, 1994). We thus find it plausible to assume that the unconscious (or automatic) activation of a particular kind of relational model (RMT) also results in an unconscious activation of respective moral motives (RRT) which are expressed in accordant other-regarding behaviors in interpersonal situations of decision making.

Proposition 2. The expression of particular other-regarding behaviors in one-shot economic decision making games is determined by the kind of moral motive that is - consciously or unconsciously - activated (or salient) within an actor's mind.

Effects of Moral Motives are Confined to Interpersonal Situations

While abstract decisional problems, with no personal ramifications for others, are performed in the manner an idealized scientist or judge would perform them, moral problem

³ Whether this is the case in an order of sequence, as suggested by Haidt (2007), or inextricably mingled together, as suggested by Knobe (2010), or in another form, such as described in dual process models (e.g., Strack & Deutsch, 2004), where the two types of processes interact at certain stages in their deployment, must be left open in the present study.

solving is designed to work for *social* doing in interpersonal situations (*'moral* thinking is for *social* doing', Haidt, 2007, p. 999). This is in line with the perspective taken by Rai and Fiske (2011) in RRT. According to RRT the psychological processes, underlying the four fundamental relational models and respective moral motives, serve the regulation of relationships, which binds them to *interpersonal* situations of decision making. In *solitaire* situations of decision making, no other party is apparently involved who is (or might be) directly affected by the actor's decision behavior - except the actor himself or herself. Thus, relationship regulation is not required (whereas self-regulation is) and moral motives, once (made) salient in a person's mind, should not affect her decision behavior. Thus, when activated in solitaire situations of economic decision making, moral motives should not have a noteworthy impact on a person's decision behavior.

Proposition 3. Economic decision making behavior remains unaffected by the kind of moral motive, which is - consciously or unconsciously - activated in a solitaire situation.

To summarize, we conducted four experiments, each comparing the behavioral effects of two different moral motives according to RRT (Unity versus Proportionality). Experiments 1 and 2 address the first two predictions that the expression of other-regarding behavior in a one-shot economic decision making game is determined by the kind of moral motive (Unity versus Proportionality) made salient to the actor, by explicitly framing the whole experimental situation accordingly (Experiment 1, conscious activation), and by subliminally priming the two different moral motives in a precursory part of the experiment (Experiment 2, unconscious activation). For testing the prediction that moral motives affect economic decision making in an interpersonal situation but not in a solitaire situation, and for also replicating the results from the first two experiments, two further experiments (Experiments 3 and 4) employing the same moral motives (Unity versus Proportionality) and types of activation (framing versus subliminal priming) were conducted. More specifically, in Experiments 3 and 4 an interpersonal situation and a solitaire situation (with a concordant decision task) of economic decision making were compared. In order to pre-test the newly developed decision game paradigms for our experiments and to establish control conditions, two pilot experiments, with no manipulation of moral motives, one with an interpersonal and one with a solitaire situation of economic decision making, were conducted besides the main series of four experiments.

Experiment 1

In Experiment 1, we used a novel game paradigm, which is a modified 2-player version of the originally 3-player Solidarity Game (SG), first presented by Selten and Ockenfels (1998). We termed it Dyadic Solidarity Game (DSG; for a description, see Appendix A). Selten and Ockenfels' SG is well established in behavioral economics and it is known to allow for the expression of more or less (or no) solidarity in other-regarding behavior. SG was shown to be robust against instructors' cues (Bischoff & Frank, 2011) and sensitive to differences in cultural norms (Brosig-Koch, Helbach, Ockenfels' (1998) SG and our modified DSG range from expressions of solidarity, in the sense that a person helps another person to a certain extent in the form of unconditional gift giving, to pure self-interest driven behavior, in the sense of maximizing one's personal utility by not giving (much or anything) to the other person.

Selten and Ockenfels (1998) define solidarity as gifts that are made but not (necessarily) reciprocated. The authors describe solidarity as a 'subtle form of reciprocity', which is different from 'giving *after* one has received'. In both, Selten and Ockenfels' SG and the here presented DSG, a gift can be made to another person, who presumably, if one were in need oneself, would make a gift to oneself. Both are one-shot games with participants being anonymous to each other, with a fixed 2/3 chance of winning and a 1/3 chance of losing determinable financial

resources. Thus in both games there are two forms of risks to consider: (1) a *probabilistic risk*, which does call for rational computation and respective decision behavior, and a (2) *relational risk* (or 'moral hazard'; cf. Akerlof, 1970) with the option to more or less (or not at all) mitigate the risk of total loss for *the other* person who might or might not be willing to mitigate your risk of total loss. In both types of games, participants can decide to show a certain extent of solidarity behavior towards the other person or a certain extent of self-interest respectively by maximizing their personal expected utility. According to expected utility theory the personal utility is maximized (in SG and DSG) when nothing is given to the other person (for the case of losing). Considerations of relational risk call for relational or moral information processing, and thus, according to our theorizing should be influenced by the kind of moral motive that is (made) salient in a person's mind.

All respects in which DSG differs from Selten and Ockenfels' (1998) SG are neither beneficial to the affordances of our study (e.g., SG is a complicated three person game, DSG is a simple two person game), nor are they necessary for testing our predictions (for further details about similarities and differences between SG and DSG, see Appendix A). One essential difference needs to be pointed out, because it is the major reason why an unmodified SG paradigm was not employed in the present series of studies. In DSG a person's gift giving is *fully unconditional* and the probabilistic risk is held constant, which allows the targeting of relational risk considerations by inducing moral motives. In contrast, in SG, a person's gift giving is conditional upon her winning, which may be driving some of the results reported by Selten and Ockenfels (1998), as was argued by Charness and Genicot (2009). Furthermore, in SG gift receiving is not only conditional upon oneself losing (as in DSG) but also on one or two other participants winning (if all lose, there is no gift reception in SG). The apparent complicatedness of the pay-off distributions in SG appears to have confused a considerable proportion of

participants (Selten & Ockenfels, 1998). These, potentially confusing, conditions are excluded in the newly developed DSG where two persons engage in one-shot interpersonal decision making in a dyad. Both participants receive the same amount of money to their disposal. Each person can win up to the full amount with a probability of 2/3 or lose with a probability of 1/3. Before the lottery draw, each person decides whether and how much money he/she wants to put aside, which will be given to the other person in the case of losing. Hence participants can divide their financial resources in two partial amounts (Amount A and Amount B). Each person receives Amount A for his/herself in case of winning. In case of losing, each person receives the Amount B put aside by the respective other person (see Appendix A and Figure A1).

In order to empirically establish a baseline (with no manipulation of moral motives) and to test for empirical equivalence with the previously published SG outcomes, the DSG paradigm has been pre-tested in a DSG Pilot Experiment (see also Appendix A). Our intention was to implement a one-shot interpersonal decision game, which allows for the above described considerations and expressions of other-regarding behavior in a simple and straightforward way. In our view and according to the results from the Pilot Experiment, which are highly comparable to respective SG outcomes, this is the case in the newly developed DSG paradigm.

The purpose of Experiment 1 was to test the differential behavioral effects of two different moral motives on economic decision making, as stated in our first proposition. As said before, the behavior in DSG can vary from decisions that represent the maximum of a costbenefit analysis and no solidarity to decisions representing a worse payoff but higher levels of solidarity (in the form of unconditional gift giving). Therefore Proportionality and Unity motives (cf. Fiske, 1992; Rai & Fiske, 2011) were selected for experimental comparison. Regarding economic decisions - in other words the exchange and distribution of benefits and risks - Unity moral motives should be associated with a more cooperative use of resources and risk sharing, resulting in more solidarity and less self-interest apparent in other-regarding behavior, whereas Proportionality moral motives should be associated with an exchange of resources and risk in proportion to what is received as a function of utilities, resulting in more self-interest and less solidarity apparent in other-regarding behavior. Based on those distinct characteristics of the respective moral motives and accordingly different considerations of relational risks, we hypothesize the following:

Hypothesis 1. Individuals in a Unity condition show more solidarity behavior by giving a higher Amount B to the other person than individuals in a Proportionality condition.

Method

Participants. Seventy five participants were recruited (sex: 57% female; age: M = 24.97 years, SD = 4.48 years) from a large University in a German-speaking country.

Stimuli and procedure. Participants received a bar of chocolate in addition to the payoff of the game. Participants were invited to a laboratory in the Department of Psychology. The Dyadic Solidarity Game (DSG) was announced as a "decision task". In each session 4 to 6 participants were seated together in one room, but worked individually on a computer in a private cubical. Participants were told that they would engage in a decision task together with one other person in the room, who would remain anonymous (in fact, for practical reasons, the "other person's" behavior was simulated by computer). Participants were randomly assigned to one of the two conditions: Unity or Proportionality. The conditions differed only in the introductory statement (for full descriptions, see Appendix C), which described the purpose of the overall study, either in a Unity frame (participants were told that the study is about "common welfare in groups or in the society" and "cooperative, social behavior" is examined) or in a Proportionality frame (participants were told that the study is about "cost-benefit-optimization on markets" and "individual profit maximization"). Then the DSG decision task was explained. Participants had $10 \in$ to their disposal and were asked to make their decision regarding the division of the $10 \in$ in Amount A (for oneself in case a dice shows a 1, 2, 3 or 4) and Amount B (for the other person, in case a dice shows a 5 or a 6). After submitting the decision, the computer randomly determined the result of throwing a dice. Subsequently participants were informed about their payoff. At the end of the session demographic data was collected and participants received their payoff, the promised chocolate bar, and a full debriefing. The dependent variable was the Amount B, which a person indicated to give to the other person in case of losing.

Results

Participants from the two experimental conditions were compared regarding the unconditional gift, which they made to the other person (Amount B). In the Unity condition participants gave a higher Amount B (M = 3.34, SD = 1.46) to the other person than in the Proportionality condition (M = 2.32, SD = 1.51), which supports our first hypothesis (t(73) =2.97, p = .004, d = .69). The results are presented in Table 1 and Figure 1 (Experiment 1). Results in both conditions of Experiment 1 are inconsistent with the maximum of the expected utility, as the Amount B in each condition is significantly greater than 0 (Unity: t(37) = 14.14, p <. 001, 95% CI [2.86, 3.82]; Proportionality: t(36) = 9.36, p < .001, 95% CI [1.82, 2.82]). This means that in both conditions it is highly unlikely that pure self-interest is the sole behaviorally impactful motive operating. Furthermore, comparisons with the mean value of Amount B (M =2.50€) obtained in the control condition (see DSG Pilot Experiment, Appendix A) reveals that the mean level in the Unity condition (M = 3.34 \in) was significantly higher (t(54) = 2.01, p = .050, d = .57), whereas the mean level in the Proportionality condition (M = 2.32 €) was slightly below the mean level in the control condition, but did not differ significantly from it (t(53) = 0.42. p =.677, *d* = .12).

Experiment 2

The purpose of the second experiment was to test whether moral motives that are *unconsciously* induced via subliminal priming have the same effects in an interpersonal situation of economic decision making as the moral motives that were consciously induced in Experiment 1 via framing. Thus, the same two moral motives as in Experiment 1 (Unity versus Proportionality) - and the same decision making game (DSG) were used for testing our second hypothesis.

Hypothesis 2. Individuals in a Unity subliminal priming condition show more solidarity behavior by giving a higher Amount B to the other person than individuals in a Proportionality subliminal priming condition.

Method

Participants. In total 45 individuals were recruited (sex: 71% females; age: M = 25.57 years; SD = 6.78 years) from a large University in a German-speaking country.

Stimuli and procedure. The experiment was the first in a series of experiments and a 10ε show up fee was paid for participation in the entire series. The experiment took place in a laboratory of the Department of Psychology. Upon agreeing to participate, individuals were told that they would engage in two tasks: an "attention task" (containing subliminal primes, see below) and a "decision task" (DSG). Participants were further told that for practical reasons they would first receive the instructions for both tasks and then engage in the two tasks without an interruption. Each participant was seated alone in one room. The other person of the dyad in DSG engaged in the task with a time delay and remained anonymous. The time delay was necessary due to practical reasons, which was also communicated to the participants. The instructions for the DSG decision task, which were given to participants before the priming induction, referred to "an amount of money" without mentioning "10€" to ensure that participants did not decide on how to split their financial resources prior to the priming. After the instructions

participants engaged in the attention task. More explicitly they were seated in front of a computer screen, which subliminally presented short sentences. Participants were told to focus on the screen and try to identify as many words as possible, which they would write down sometime later in the experiment. Immediately afterwards participants made their decision for the decision task (DSG). They were given a sheet of paper showing 10 x 1€ coins in one row. They were asked to draw a line: on the left side of the line was the Amount A for themselves (in case a dice showed a 1, 2, 3 or 4) and on the right side was the Amount B for the other person (in case a dice showed a 5 or a 6). After the decision was made the facilitator tossed a dice and handed out the respective payoff. Thereafter participants' filled in a short questionnaire assessing emotional states (PANAS, Krohne, Egloff, Kohlmann, & Tausch, 1996, further details see below), demographic data and their recall of words, which they had identified in the attention task (not analyzed here). Subsequently participants engaged in other studies unrelated to Experiment 2 and were fully debriefed after the series of experiments ended. Our Experiment 2 was always located first in the series.

The independent variable was the moral motive (Unity versus Proportionality) subliminally primed during the attention task. Unity cues comprised short sentences such as "we are family", "mine is also yours", "caring for each other" and Proportionality cues comprised sentences such as "how are you useful for me", "I want to profit", "making a deal". In both conditions the three sentences had in total 10 words with 46 characters.⁴ Priming is an experimental technique that is used to activate specific mental representations and to assess the behavioral consequences of this activation. It has been used to investigate automatic affective

⁴ The study was conducted in German. Thus, the framing sentences were presented in German language and were translated into English by the authors. The data concerning number of words and number of characters refer to the German version of the sentences.

evaluations (e.g., Fazio et al., 1986), relational schemata (e.g., Baldwin, 1992), and attachment styles (e.g. Mikulincer, Birnbaum, Woddis, & Nachmias, 2000). In the context of priming relational models, Glassman and Andersen (1999) could demonstrate that four-word sentence primes work well in activating relational schemata. In a recent study, Shah and Kruglanski (2002) successfully used short two-word sentences presented subliminally to activate specific goals in their participants. Their data indicate that even short sentences can unconsciously activate specific representations in memory.

The main dependent variable was the unconditional gift (Amount B), which participants agreed to put aside for the other person for the case of loss (dice shows a 5 or a 6). In order to exclude positive versus negative affectivity as potential confounds to the primed Unity and Proportionality motives, participants' emotional states were assessed using the PANAS (Krohne et al., 1996; $\alpha = .77$; 17 items; 7-point scale; $1 = negative \ emotional \ state$, $7 = positive \ emotional \ state$).

Results

Before conducting our main analysis, it was ensured that the two prime conditions did not induce positive or negative emotions. Participants in the Unity (M = 5.19, SD = .70) versus the Proportionality (M = 5.27, SD = .60) condition did not differ on the PANAS (t(43) = .39, p = .699, d = .12). In support of our Hypothesis 2 we found that participants, who were subliminally primed with Unity cues allocated a significantly (t(43) = 2.14, p = .038, d = .63) higher Amount B (M = 3.91, SD = 0.95) to the other person than participants, who were primed with Proportionality cues (M = 3.09, SD = 1.57). Results are presented in Figure 1 (Experiment 2) and Table 1.

Results in both conditions are inconsistent with the maximum of the expected utility, as the Amount B in each condition was significantly greater than 0 (Unity: t(22) = 19.77, p < .001, 95% CI [3.50, 4.32]; Proportionality: t(21) = 9.23, p < .001, 95% CI [2.39, 3.79]). This means that in both conditions it is highly unlikely that pure self-interest is the sole behaviorally impactful motive. Furthermore, comparisons with the baseline of Amount B obtained in the DSG Pilot Experiment (see Appendix A) with no manipulations of moral motives (M = 2.50€, also see Table 1) reveals that in the Unity condition the mean (M = 3.91€) was significantly above the baseline (t(39) = 3.72, p < .001, d = 1.14) whereas in the Proportionality condition (M= 3.09€), the mean was slightly higher than the mean obtained in the control condition, but it did not differ significantly from it (t(38) = 1.22, p = .230, d = .39).

Discussion of Experiment 1 and Experiment 2

In accord with our hypotheses, behaviorally distinguishable responses were induced by (1) framing an experimental decision game as either part of a study about Communal Sharing norms pertaining to Unity motives or a study about Market Pricing norms pertaining to Proportionality motives (Experiment 1), and by (2) subliminally priming cues for Communal Sharing norms pertaining to Unity motives versus Market Pricing norms pertaining to Proportionality motives (Experiment 2). Experiment 2 comprises a robust replication of Experiment 1 by inducing the same moral motives of Unity and Proportionality via subliminal priming rather than conscious frames of the experimental context, while drawing on a different sample of participants, giving a different show up fee (10€ rather than a bar of chocolate), embedding the DSG in a series of experiments (rather than a single experiment), using different materials (e.g., establishing Amount A and B by using figural rather than numerical material) and tossing a real dice rather than a 'computational' one.

The results across both experiments support the assumption that moral motives operate consciously and unconsciously in their impact on other-regarding behavior in interpersonal economic decision making. As was predicted in our theoretical Propositions 1 and 2, individuals

under a consciously or unconsciously induced Unity motive showed more solidarity behavior (i.e., giving higher amounts of unconditional gifts in DSG) than individuals under a consciously or unconsciously induced Proportionality motive. Furthermore, in the Unity conditions of both experiments the mean Amount B given was significantly above the mean obtained in the control condition in the DSG Pilot Experiment. In contrast, in the Proportionality condition of both Experiments no significantly higher Amount B as compared to the control condition was given. It appears that the 'default' moral motives of participants in economic decision making games are indistinguishable from Proportionality motives. However, in both experiments, as well as in the control condition, classic rational choice paradigmatic predictions, according to which selfinterest is the major, if not singular, motive that drives economic decision making in interpersonal situations (i.e., games), could also be rejected.

Experiment 3

In Experiment 3 our third proposition was tested, stating that decision behavior is affected by moral motives made salient in interpersonal situations, but remains *unaffected* by moral motives which were made salient in *solitaire* situations. A solitaire situation of decision making, structurally equivalent to DSG, was developed and termed 'Self-Insurance Game' (SIG, see Appendix B). It differs from DSG in only one respect - individuals interact with themselves and not with another person. In DSG and SIG the same *probabilistic risk* needs to be considered (i.e., 2/3 win, 1/3 lose). In DSG, as was argued above, in addition to the probabilistic risk, a relational risk needs to be considered. A relational risk is subject to relational considerations and thus should be affected by moral motives that are activated. In SIG there is no relational risk to consider, because the options to more or less (or not at all) mitigate the risk of total loss relate directly to the person herself. Participants can be 100% certain about their pay-off in case of loss. There is no "moral hazard" or "information asymmetry" (cf. Akerlof, 1970) to consider, which

WOP Working Paper No. 2013 /5

includes the willingness of another person to mitigate one's own losses (or not). We therefore hypothesized:

Hypothesis 3. The decision behavior in the solitaire SIG is not influenced by the kind of moral motive made salient to a person, whereas in DSG it is affected.

A particular advantage of constructing the solitaire SIG concordantly to DSG is that all factors potentially affecting solitaire probabilistic risk processing can operate in both experimental conditions. From widely established research findings in behavioral economics, economic psychology and decision sciences it is known that people display an array of probabilistic risk processing 'biases' in their solitaire 'thinking for doing'. It is 'rationally bound', 'heuristic', 'risky' or 'risk averse', to name just a few, depending on the task, the context, or personal factors (e.g., Gigerenzer & Gaissmaier, 2011; Gigerenzer & Goldstein, 1996; Kahneman, 2011; Kahneman & Tversky, 1979; Tversky & Kahneman, 1974). The DSG and SIG conditions differ only with respect to the presence or absence of relational risk and the applicability of factors potentially affecting the processing of relational risk. However, there is a general possibility that forms of biased probabilistic risk processing in solitaire decision making may interact with certain salient moral motives. Individual processing of probabilistic risk, including all kinds of potential biases, should operate in both, SIG and DSG. On the basis of Haidt's (2007) principle that 'moral thinking is for social doing' and the proposition derived from RRT, that moral motives are bound to interpersonal situations, we argued that activated moral motives should not impact on the more or less biased probabilistic risk processing (for solitaire *doing*), but they should impact on the relational risk processing (*for social doing*). The general possibility, that different moral motives (Unity, Proportionality) interact differently with more or less biased probabilistic risk processing can be ruled out, when it is shown that inducing the two different moral motives does not result in different decision making behavior in SIG, when

compared directly to DSG. To this respect, the combined implementation of SIG and DSG constitutes a strong experimental paradigm for a more unequivocal testing of the predictions. **Method**

Analogous to DSG, SIG was pretested in a Pilot Experiment, which is used as a control condition and described in Appendix B. Like in Experiment 1, the moral motives (Unity versus Proportionality) were induced explicitly by framing. A 2×2 (Unity versus Proportionality; SIG versus DSG) between-subject design was implemented.

Participants. A total of 89 individuals (sex: 62% female, age: M = 23.92 years, SD = 3.50 years) were recruited.

Stimuli and procedure. Participants were paid a show-up fee of 4€ in addition to the payoff of the game. Four experimental sessions were conducted in a laboratory at the Department of Economics. In each session one of the two games (DSG versus SIG) was played, which was determined randomly. Participants were seated in cubicles and worked on a computer. First, participants read about the purpose of the study, which was randomly framed with a Unity frame or a Proportionality frame, as in Experiment 1 (see Appendix C). Participants engaged in the DSG were informed that they would remain anonymous to each other. Then participants received the instructions to the game, made their decision about how to divide the 10€ into Amount A and Amount B and subsequently the facilitator tossed a dice once for all participants of one session. Each decision making game was one-shot.

The dependent measure was the Amount B, which participants were willing to give to another person (in DSG), or to put aside for themselves (in SIG), in case of losing (i.e., the dice showed 5 or 6). At the end participants were told their individual payoff and answered demographic questions.

Results

The main results are visualized in Figure 2 (Experiment 3) and descriptive data is shown in Table 1. The interaction effect between SIG versus DSG and Unity versus Proportionality conditions (decision game * moral motive) was significant (F(1,84) = 5.64, p = .021, $\eta^2 = .06$). In the DSG condition a significant main effect for moral motives was obtained (t(41) = 2.97, p =.005, d = .89). Unity framed participants allocated a higher Amount B (unconditional gift to the other person) than Proportionality framed participants, which supports Hypothesis 1 (induced moral motives impact on other-regarding behavior) and is a premise for Hypothesis 3 (induced moral motives impact on decision behavior in DSG and not in SIG).

In the SIG condition no significant main effect on Amount B (gift to oneself) was obtained for moral motives (t(41) = 0.51, p = .612, d = .16). Because non-significant results do not confirm equivalence between experimental groups, further analyses were undertaken using the procedure by Rogers, Howard, and Vessey (1993). It basically tests the hypothesis regarding equivalence by trying to reject an a priori defined plausible alternative hypothesis regarding a particular difference. On the basis of our theorizing and empirical results from Experiment 1, it was determined, that the average Amount B in the Unity condition had to be higher than in the Proportionality condition by at least a medium effect size $d \ge .50$, following Cohen (1992).

Given the standard deviation of the sample the difference (Unity minus Proportionality) was computed as $\ge 0.88 \in$. This value is not included in the 90% CI [-1.19, 0.63]⁵ and therefore

$$s_{\text{M1-M2}} = \left\{ \left[\frac{(n_1 - 1)s_1^2 + (n_2 - 1)s_2^2}{n_1 + n_2 - 2} \right] \left[\frac{1}{n_1} + \frac{1}{n_2} \right] \right\}^{\frac{1}{2}}$$

⁵ Following Rogers et al. (1993) the CI is calculated with the following formula: $(M_1-M_2) \pm z_{\alpha} s_{M1-M2}$ M = mean of the experimental conditions 1 and 2; z_{α} = the z value for a given α ;

n = number of participants in the experimental conditions 1 and 2; s = standard deviation of the experimental groups 1 and 2.

the hypothesis regarding a difference between the two conditions can be rejected. Note that the 90% CI, that is, a one-sided test, was used as Rogers et al. (1993) advised that "the equivalency confidence interval should be expressed at the 1 - 2α level of certainty" (p. 555).

In summary, the results from Experiment 3 suggest not rejecting Hypothesis 3, which predicts that other-regarding behavior in DSG is affected by moral motives, made salient to a person, whereas in SIG it is not affected.

Experiment 4

The purpose of this experiment was to replicate the results of Experiment 3, this time by inducing the moral motives via subliminal priming, like in Experiment 2. Together, Experiments 3 and 4 also constitute a robust replication of the combined findings from Experiments 1 and 2, that moral motives affect other-regarding behavior in interpersonal situations via conscious *and* unconscious activation.

Methods

Analogous to Experiment 3, the present experiment comprises a 2×2 between-subject design (DSG versus SIG; Unity versus Proportionality).

Participants. A total of 89 participants (sex: 89% female; age: M = 23.90 years, SD = 5.52 years) were recruited from a large University in a German-speaking country.

Stimuli and procedure. Analogous to Experiment 2, Experiment 4 was the first study in a series of studies, for which participants received extra credit in addition to the game's payoff. In Experiment 4 - just like in Experiment 2 - participants were told that they would engage in two different tasks, an "attention task" (for subliminal priming) and a "decision task" (DSG or SIG). Participants received all instructions at the beginning of the session. In case participants engaged in DSG the other person remained anonymous and was working on the task with a time delay. The time delay was necessary for practical reasons, which was also communicated to the

participants. The instructions about DSG and SIG did mention "an amount of money", but not the "10 \in " in order to avoid that participants made the decision before the priming activity. Then participants engaged in the attention task (subliminal priming). They focused on a screen, which subliminally showed the same sentences, which were used in Experiment 2. Then participants were given a sheet of paper showing 10 x 1€ coins in a row and were asked to make their decision by drawing a line. On the left side of the line was the Amount A (the amount of money, which they received in case the dice showed a 1, 2, 3, or 4); on the right side was the Amount B, the partition they were willing to give to the other person in DSG or to themselves in SIG, in case the dice showed a 5 or 6. Each decision making game was one-shot. After the decision was made the facilitator tossed the dice. Then participants answered a short questionnaire, assessing their emotional state, demographic data and the words, which they had seen in the attention task (for more details see Experiment 2). Subsequently participants engaged in other experiments unrelated to this study and were debriefed in the very end. The experiment described in this paper was always the first in the series of studies; hence the other experimental tasks cannot have had an influence on participant's decisions.

The two independent variables were: the induced moral motives (Unity or Proportionality), manipulated by subliminal priming as part of the attention task, and the subsequent decision making game (DSG or SIG), in which participants made decisions about allocating their resources to Amount A and B. For a detailed description of the subliminal priming stimuli see Experiment 2. The dependent variable was the amount of money (Amount B), which participants agreed to put aside for the other person in DSG or for themselves in SIG in the event of losing (i.e., the dice showed a 5 or a 6). To control for positive or negative emotionality that may have been induced by priming, participants' emotional states were assessed using the PANAS (Krohne et al., 1996; α = .72; 17 items; 7-point scale; 1 = *negative emotional state*, 7 = *positive emotional state*).

Results

The average PANAS scores between the two priming conditions were compared: Unity (M = 5.55, SD = 0.59, N = 45) and Proportionality (M = 5.66, SD = 0.46, N = 44). There was no difference in participants' emotional states (t(87) = .94, p = .348, d = .20). The main results of Experiment 4 are visualized in Figure 2 (Experiment 4) and descriptive data can be found in Table 1. The interaction effect between the solitaire SIG versus the interpersonal DSG and the two induced moral motives (i.e., decision game * moral motive) was significant $(F(1,85) = 4.19, p = .044, \eta^2 = .05)$. Consistent with the prediction made for DSG a main effect for moral motives was obtained (t(43) = 2.14, p = .038, d = .66) in the DSG. Participants primed with Unity cues gave a higher Amount B to the other person than participants, who were primed with Proportionality cues. No effect of primed moral motives was found for participants who engaged in SIG (t(41) = .59, p = .556, d = .18).

Analogous to Experiment 3 equivalence between the Unity condition and the Proportionality condition in SIG was established by using the procedure suggested by Rogers et al. (1993), according to which equivalence can be assumed if a specific hypothesis of difference can be rejected. Thus a difference of $d \ge .50$ (at least medium effect size; following Cohen, 1992) was presumed, and given the standard deviations of the two experimental groups, this difference translates into $\ge 0.67 \in$ (Unity minus Proportionality). This value is not included in the 90% CI [-0.88, 0.42] and therefore the hypothesis that the two experimental groups are different can be rejected on a 5% α level (for details about this analysis see Experiment 3). Consequently, our Hypothesis 3, predicting that other-regarding behavior in DSG is affected by moral motives, made salient to a person, whereas in SIG it is not, was not rejected. All results of Experiment 4, which used subliminal priming, fully replicate the respective findings from Experiment 3, where explicit framing was used.

Under which Moral Motive does the 'Golden Rule' Apply?

The SIG experimental paradigm developed for Experiments 3 and 4 allows us to establish a plausible reference level of unconditional gift giving to oneself (i.e., self-insurance), which solely relies on probabilistic risk considerations, because the relational risk is set to zero (i.e., there is 100% certainty about what the person herself will do). Thus, with SIG we can establish behavioral responses to the question of how much participants are willing *to give themselves* in order to mitigate the probabilistic risk faced in an interpersonal DSG situation (1/3). We thus used the level of gift giving 'to oneself' in SIG to establish the particular moral meaning attached to the level of gift giving 'to another person' in DSG. In other words, we tested to what extent the universal Golden Rule ("Treat others how you wish to be treated"⁶), applies under Unity versus Proportionality conditions.

As stated before, Unity moral motives imply the expectation that in a given community everyone (including oneself) should be treated equally. In contrast, Proportionality moral motives imply a focus on cost-benefit-analysis and expected personal utilities where expectations about the other person are included in one's own self-regarding utility considerations. Given these characteristics of the two moral motives we explored the 'Golden Rule'-hypothesis post hoc by using data from Experiments 3 and 4: Individuals who are subject to an induced Unity moral motive should be more likely to treat others as they treat themselves than individuals who are

⁶ According to the Dictionary of Philosophy (Flew, 1979), "various expressions of this fundamental moral rule are to be found in tenets of most religions and creeds through the ages, testifying to its universal applicability." (p. 134).

subject to an induced Proportionality moral motive. Thus, Unity motivated participants in DSG should give on average the same amount of money to the other person than is put aside by respective SIG participants for themselves, whereas Proportionality motivated participants should give much less or nothing to the other person, which is not in accord with the golden rule.

In order to test the 'Golden Rule'-hypothesis, we first confirmed that in the Unity condition there was no significant difference between the average Amount B in the DSG and the SIG (Experiment 3: t(41) = .33, p = .745, d = .10; Experiment 4: t(43) = .61, p = .548, d = .18). Then we conducted the significance test of equivalence according to Rogers et al. (1993; see Experiment 3 for details). Given the respective empirical standard deviations in Amount B, the difference in the Amount B between DSG and SIG in the Unity condition (DSG minus SIG) would need to be $\leq -0.92 \in$ in Experiment 3 and $\leq -.62 \in$ in Experiment 4, if it had at least a medium effect size in each case ($d \ge .50$; following Cohen, 1992). Those values are not included in the 80% CI [-0.68, 0.30] in Experiment 4 and in the 90% CI [-0.39, 0.84] in Experiment 4. The respective difference hypothesis can be rejected on a 10%- α level for Experiment 3 and on a 5%- α level for Experiment 4 (for more details regarding this analysis see Experiment 3). This means that Unity motivated participants treated others in DSG like Unity motivated participants treated themselves in SIG. In contrast Proportionality motivated participants in DSG treated the other person not on the same Amount B level as Proportionality motivated participants treated themselves in SIG. The respective differences in the Proportionality conditions between respective participants in DSG and SIG are significant (Experiment 3: t(43) = 4.16, p < .001, d =1.27; Experiment 4: t(42) = 2.09, p = .042, d = .63). In summary, the Golden Rule seems to apply to DSG participants who received a Unity moral motive treatment, either by conscious framing or by subliminal priming, and not to DSG participants who received a Proportionality

treatment, neither by conscious framing nor by subliminal priming, each in comparison to respectively treated SIG participants.

General Discussion

Four experiments showed that "morals matter in economic decision making games". The extent of other-regarding solidarity behavior in Unity conditions as compared to Proportionality conditions in the Dyadic Solidarity Game (DSG) computes to an average effect size of Cohen's d=.70 (z=4.96, p<.001).⁷ Results repeatedly obtained in Experiments 1 through 4 are in support of Hypotheses 1 and 2, stating that consciously and unconsciously induced moral motives impact other-regarding behavior in the DSG. In this sense, it could be shown that strong reciprocity in one-shot economic decision games is affected by "moral reasoning" and "moral intuition". Results repeatedly obtained in Experiments 3 and 4 support Hypothesis 3, stating that economic decision making behavior in DSG is significantly affected by the kind of moral motives made salient to participants, whereas in solitaire situations (cf. Self-Insurance Game; SIG) it is not. It seems that relationship regulation via relational models and moral motives is confined to *interpersonal* decision situations, in which relational risks need to be considered over and above probabilistic risks - as compared to *solitaire* situations, in which only probabilistic risks need to be considered. In this sense, it could be demonstrated that in interpersonal economic decision making games "moral thinking is for social doing" (Haidt, 2007, p. 999).

Our experimental results support the propositions derived from Rai and Fiske's (2011) Relationship Regulation Theory (RRT) which state that the extent to which an actor shows particular other-regarding behavior is shaped by the actor's perception and definition of the situation, which are formed in basically four types of relational models (Communal Sharing,

⁷ The average effect size was calculated with meta-analytical procedures (following Borenstein, Hedges, Higgins, & Rothstein, 2009) using the Software "Comprehensive Mata-Analysis".

Authority Ranking, Equality Matching, and Market Pricing) with respective moral motives (Unity, Hierarchy, Equality, Proportionality) embedded in them. In our series of four experiments we induced and compared the behavioral effects of two of the four relational models with respective moral motives as specified in RRT (Unity versus Proportionality) by means which are *extraneous* to the proximate characteristics of the decision tasks used (i.e., by framing the experiments' purpose accordingly and by subliminal priming immediately before the decision game). One might interpret the resulting behavioral responses to the decision situation as "spill over" effects of *extraneously* activated motives. However, as predicted on the basis of RRT, the behavioral effects of *moral* motives were shown to be specific to interpersonal (DSG) situations while not affecting decision behavior in solitaire (SIG) situations.

Future research pertaining to moral motives should directly measure the postulated moral motives as mental states and establish their mediating functions between characteristics of the interpersonal decision context employed and other-regarding behaviors expressed. To our knowledge this has not been attempted yet.

Unity Fosters and Proportionality Undermines the "Golden Rule"

The explanatory power of Rai and Fiske's (2011) RRT for predicting other-regarding behavior in experimental decision games could also be demonstrated by applying our newly developed game paradigm (Dyadic Solidarity Game, DSG), in combination with its solitaire counterpart (Self-Insurance Game, SIG), when testing the post hoc formulated "Golden Rule"hypothesis. It pertains to a fundamental moral principle in human societies - "treat others how you wish to be treated" (Flew, 1979). In support of the "Golden Rule"-hypothesis, further analyses of our experimental data revealed that Unity motivated participants treat others in DSG equivalent to how Unity motivated participants treat themselves in SIG, whereas Proportionality motivated participants treat others in DSG significantly less favorably than Proportionality motivated participants threat themselves in SIG. Given that in the SIG no differences between Unity motivated and Proportionality motivated participants were found, we interpret the experimental results as follows: Unity moral motives foster the behavioral expression of the "Golden Rule" in one-shot decision games involving strangers, while Proportionality moral motives undermine its expression.

Future research pertaining to moral motives could benefit from focusing on situational conditions which foster or inhibit solidarity behavior and the application of the "Golden Rule" under all four moral motives (and not only Unity and Proportionality as applied in Experiments 1 through 4) and further situational conditions under which they apply as specified by RRT. For example, Rai and Fiske (2011) propose that relational models and moral motives serve the cognitive-motivational regulation of interpersonal relationships in human societies. Thus, the moral frames suggested should also apply to more complex patterns of social life, in accord with established social psychological theorizing, such as for example with respect to inter-group discrimination (Tajfel, 1970). Unity moral motives should foster other-regarding solidarity behavior and the application of the "Golden Rule" in particular when decision game partners belong to the same 'in-group'. In contrast, differential behavior toward 'in-group' and 'out-group' decision game partners should be less pronounced or even non-existent for Proportionality motivated participants.

"Money" Cues Induce Proportionality Moral Motives in Decision Games

When conducting our series of experiments, we observed some systematic differences between the laboratories hosted by economy departments and by psychology departments. Money, for example, featured more prominently in economy laboratories than in psychology laboratories. Cash boxes or pay desks (for later payoff and reward) are often encountered by participants when entering the experimentation room. And for advertising experiments for participation or recruiting members for experimental panels or pools, the "money making" motive was regularly used as the major incentive to participate. In contrast, in psychology departments, in addition to the "money making" incentive, which is also used but less prominently, course credits or other non-monetary incentives are given for participation. This is why we have conducted several replications across a variety of wider experimental context conditions. For example, we varied the show-up incentives (chocolate bar versus different amounts of money), the recruitment incentives for participants (using a pool for pay in the economic laboratory, on campus recruitment by content of the study and/or credit points), and also the use of single experiments versus omnibus experiments might have influenced the salience of "money" to participants (see Table 1, right column).

"Money", which is often used as a proxy for a variety of non-monetary resources and as a marker of behavioral responses in most economic game experiments, has been repeatedly reported to induce Market Pricing norms (i.e., *Proportionality moral motives according to RRT*) in various economic decision making experiments (deVoe & Iyengar, 2010; Heyman & Ariely, 2004; McGraw & Tetlock, 2005). Vohs, Mead, and Goode (2008) demonstrated that unconsciously primed money stimuli induce Market Pricing norms. Reminding of money, relative to non-money reminders, led to reduced requests for help and reduced helpfulness toward others, and participants primed with money, as compared to non-primed participants, preferred to play alone, work alone, and put more physical distance between themselves and a new acquaintance.

According to RRT, the use of money for standard behavioral responses in economic game experiments, as well as the use of "money making" as a standard incentive for participation, and also the manifold "money" frames and primes present in economic laboratory settings, all these characteristics promote the induction of Market Pricing relational models and Proportionality

moral motives with respective other-regarding behavioral outcomes. As is shown by Experiments 3 and 4 the behavioral responses in *interpersonal* decision making situations are particularly sensitive to reminders and primes of relational models and moral motives. Thus, uncontrolled and unnoticed 'hidden' reminders, frames and primes of money (or other morally sensitive stimuli) present in experimental game contexts are likely to distort behavioral data from decision game laboratories.

Implications for the Experimental Study of Other-regarding Behavior in Decision Games

As described in the theory section, Fiddick and Cummins (2007) demonstrated that inducing an Authority Ranking relational model (with *Hierarchy moral motives*) predicts an agent's tolerance for free riding (of 'subordinates') better than the expected utility theory concept of self-interest does. Furthermore, the authors suggest that the common practice in behavioral economics to place participants of equal social status and no prior history in anonymous interactions fosters Equality Matching relational models (with *Equality moral motives*). This might have happened in our experiments as well, because participants were anonymous to each other and status differences, if existent, were not made salient to them. Thus, Equality moral motives could have been activated in the participants' minds, especially in the control condition without a manipulation of moral motives (DSG Pilot Experiment). However, it rather seems that Proportionality moral motives dominated the minds of participants in the experiments reported here. Respective analyses of our data revealed that inducing Proportionality moral motives in DSG resulted in decision behavior that is statistically indistinguishable from the behavioral responses in the DSG control condition, without manipulation of moral motives. This finding can be interpreted such that the DSG decision task itself (including the above described "money" reminders) induces Proportionality moral motives or participants came to the experimental laboratory with 'default' moral motives pertaining to Proportionality (or both).

Interestingly, the participants' solidarity behavior shown in the Proportionality and in the control DSG conditions was significantly different from the respective "zero solidarity" predictions derivable from the self-interest concept of expected utility theory. This was not expected, because from all four moral motives specified by RRT, the Proportionality motive overlaps most strongly with the self-interest concept used by the expected utility theory. It might be that due to anonymity, no apparent status differential, and further characteristics of the wider experimental context, Equality moral motives were (also) active (aside of Proportionality motive) in the participants' minds resulting in at least some solidarity behavior evident in DSG. Note that DSG is a one-shot decision game, in which strategic considerations of reputation building are not necessary.

In summary, proximate characteristics of the experimental decision game itself as well as distant characteristics of the wider experimental context can induce certain moral motives with respective behavioral responses. Behavioral effects of moral motives, whether intentionally stimulated, as in the four experiments reported here, or unintentionally induced and thus often remaining unnoticed, are generally to be expected in many commonly used experimental decision games where participants are confronted with one-shot interpersonal decision situations and respond with more or less other-regarding decision behavior.

References

- Aggarwal, P. (2004). The Effects of Brand Relationship Norms on Consumer Attitudes and Behavior. *Journal of Consumer Research*, *31*, 87-101. doi:10.1086/383426
- Akerlof, G. A. (1970). The Market for "Lemons": Quality Uncertainty and the Market Mechanism, *The Quarterly Journal of Economics*, 84, 488-500. doi:10.2307/1879431
- Baldwin, M. W. (1992). Relational schemas and the processing of social information. *Psychological Bulletin*, 112, 461-484. doi:10.1037/0033-2909.112.3.461
- Bargh, J. A., & Chartrand, T. L. (1999). The unbearable automaticity of being. American Psychologist, 54, 462-479. doi:10.1037//0003-066X.54.7.462
- Bazerman, M. H., & Malhotra, D. (2006). Economics Wins, Psychology Loses, and Society Pays.
 In D. D. Cremer, J. K. Murnighan, & M. Zeelenberg (Eds.), *Social Psychology and Economics* (pp. 263-280). Mahwah, N.J.: Lawrence Erlbaum Associates.
- Bischoff, I., & Frank, B. (2011). Good news for experimenters: Subjects are hard to influence by instructors' cues. *Economics Bulletin*, 31(4), 3221-3225. Retrieved from http://www.economicsbulletin.com/
- Borenstein, M., Hedges, L.V., Higgins, J., & Rothstein, H. (2009). *Introduction to Meta-Analysis*.Hoboken, NJ: John Wiley & Sons Inc. doi:10.1002/9780470743386
- Brosig-Koch, J., Helbach, C., Ockenfels, A., & Weimann, J. (2011). Still different after all these years: Solidarity behavior in East and West Germany. *Journal of Public Economics*, 95, 1373-1376. doi:10.1016/j.jpubeco.2011.06.002
- Brosnan, S. A. (2006). Nonhuman Species' Reactions to Inequity and their Implications for Fairness. *Social Justice Research*, *19*, 153-185. doi:10.1007/s11211-006-0002-z
- Brosnan, S. A., & de Waal, S. B. M. (2003). Monkeys reject unequal pay. *Nature*, 425, 297-299. doi:10.1038/nature01963

Brown, D. E. (1991). Human Universals. New York: McGraw-Hill.

- Charness, G., & Genicot, G. (2009). Informal Risk Sharing in an Infinite-horizon Experiment. *The Economic Journal*, *119*, 796-825. doi:10.1111/j.1468-0297.2009.02248.x
- Cohen, J. (1992). A Power Primer. *Psychological Bulletin*, *112*, 155-159. doi:10.1037//0033-2909.112.1.155
- Cushman, F. A., Young, L., & Hauser, M. D. (2006). The Role of Conscious Reasoning and Intuition in Moral Judgment. Testing Three Principles of Harm. *Psychological Science*, 17, 1082-1089. doi:10.1111/j.1467-9280.2006.01834.x

Dawkins, R. (1976). The Selfish Gene. Oxford and New York: Oxford Univ. Press.

- DeVoe, S. E., & Iyengar, S. S. (2010). Medium of Exchange Matters. What's Fair for Goods Is Unfair for Money. *Psychological Science 21*, 159-162. doi:10.1177/0956797609357749
- de Waal, F. B. M. (2008). Putting the altruism back into altruism: The evolution of empathy. *Annual Review of Psychology, 59*, 279-300. doi:10.1146/annurev.psych.59.103006.093625
- Dunbar, R. (1996). *Grooming, gossip, and the evolution of language*. Cambridge, MA: Harvard University Press.
- Falk, A., Fehr, E., & Fischbacher, U. (2008). Testing theories of fairness Intentions matter. *Games and Economic Behavior*, 62, 287-303. doi:10.1016/j.geb.2007.06.001
- Fazio, R. H., Sanbonmatsu, D. M., Powell, M. C., & Kardes, F. R. (1986). On the automatic activation of attitudes. *Journal of Personality and Social Psychology*, 50, 229-238. doi:10.1037//0022-3514.50.2.229
- Fehr, E., & Fischbacher, U. (2003). The Nature of Human Altruism. *Nature*, 425, 785-791. doi:10.1038/nature02043
- Fehr, E., & Fischbacher, U. (2004). Third-party punishment and social norms. *Evolution and Human Behavior*, 25, 63-87. doi:10.1016/S1090-5138(04)00005-4

- Fehr, E., Fischbacher, U., & Gächter, S. (2002). Strong reciprocity, human cooperation and the enforcement of social norms. *Human Nature*, *13*, 1-25. doi:10.1007/s12110-002-1012-7
- Fehr, E., & Gächter, S. (2000). Cooperation and Punishment in Public Goods Experiments. *American Economic Review*, *90*, 980-994. doi:10.1257/aer.90.4.980
- Fehr, E., & Schmidt, K. M. (2006). The Economics of Fairness, Reciprocity and Altruism: Experimental Evidence. In S. Kolm & J. M. Ythier (Eds.), *Handbook of the Economics of Giving, Altruism and Reciprocity* (pp. 615-691). New York: North Holland. doi:10.1016/S1574-0714(06)01008-6
- Fiddick, L., & Cummins, D. (2007). Are perceptions of fairness relationship-specific? The case of noblesse oblige. *The Quarterly Journal Of Experimental Psychology*, 60, 16-31. doi:10.1080/17470210600577266
- Fiske, A. P. (1992). The four elementary forms of sociality: framework for a unified theory of social relations. *Psychological Review*, 99, 689-723. doi:10.1037//0033-295X.99.4.689
- Fiske, A. P., & Haslam, N. (1992). Implicit Relationship Prototypes: Investigating Five Theories of the Cognitive Organization of Social Relationships. *Journal of Experimental Social Psychology*, 28, 441-474. doi:10.1016/0022-1031(92)90041-H

Flew, A. (1979). A dictionary of philosophy. New York: St. Martin's Press.

- Forsythe, R., Horowitz, J. L., Savin, N. E., & Sefton, M. (1994). Fairness in simple bargaining experiments. *Games and Economic Behavior*, *6*, 347-369. doi:10.1006/game.1994.1021
- Gächter, S., & Herrmann, B. (2009). Reciprocity, culture, and human cooperation: Previous insights and a new cross-cultural experiment. *Philosophical Transactions of the Royal Society B - Biological Sciences*, *364*, 791-806. doi:10.1098/rstb.2008.0275
- Gigerenzer, G., & Gaissmaier, W. (2011). Heuristic Decision Making. Annual Reviews of Psychology, 62, 451-82. doi:10.1146/annurev-psych-120709-145346

- Gigerenzer, G., & Goldstein, D. G. (1996). Reasoning the Fast and Frugal Way: Models of Bounded Rationality. *Psychological Review*, 103, 650-669. doi:10.1037//0033-295X.103.4.650
- Gintis, H. (2000). Strong reciprocity and human sociality. *Journal of Theoretical Biology*, 206, 169-179. doi:10.1006/jtbi.2000.2111
- Glassman, N. S., & Andersen, S. M. (1999). Activating transference without consciousness: Using significant-other representations to go beyond what is subliminally given. *Journal of Personality and Social Psychology*, 77, 1146-1162. doi:10.1037//0022-3514.77.6.1146
- Haidt, J. (2001). The emotional dog and its rational tail: A social intuitionist approach to moral judgment. *Psychological Review, 108,* 814-834. doi:10.1037//0033-295X.108.4.814
- Haidt, J. (2007). The New Synthesis in Moral Psychology. *Science*, *316*, 998-1002. doi:10.1126/science.1137651
- Hamann, K., Warneken, F., Greenberg, J. R., & Tomasello, M. (2011). Collaboration encourages equal sharing in children but not in chimpanzees. *Nature*, 476, 328-331. doi:10.1038/nature10278
- Harbaugh, W. T., Mayr, U., & Burghart, D. R. (2007). Neural responses to taxation and voluntary giving reveal motives for charitable donations. *Science*, *316*, 1622-25. doi:10.1126/science.1140738
- Haslam, N. (1994). Categories of social relationship. *Cognition*, *53*, 59-90. doi:10.1016/0010-0277(94)90077-9
- Haslam, N. (2004). *Relational Models Theory: A Contemporary Overview*. Mahwah, NJ: Lawrence Erlbaum Assoc Inc.
- Haslam, N. (2006). Dehumanization: An Integrative Review. Personality and Social Psychology Review, 10, 252-264. doi:10.1207/s15327957pspr1003_4

- Hauser, M. D. (2006). Moral Minds: How Nature Designed Our Universal Sense of Right and Wrong. New York: Ecco. doi:10.1007/s10818-010-9081-x
- Henrich, J. (2006). Cooperation, punishment, and the evolution of human institutions. *Science*, *312*, 60-61. doi:10.1126/science.1126398

Henrich, J., Ensminger, J., Boyd, R., Henrich, N. S., Bowles, S., Hill, K., ... Barr, A. (2005).
'Economic Man' in Cross-Cultural Perspective: Ethnography and Experiments from 15 Small-Scale Societies. *Behavioral and Brain Sciences*, 28, 795-815. doi:10.1017/S0140525X05000142

- Heyman, J., & Ariely, D. (2004). Effort for Payment. A Tale of Two Markets. *Psychological Science*, 15, 787-793. doi:10.1111/j.0956-7976.2004.00757.x
- Jensen, K., Call, J., & Tomasello, M. (2007). Chimpanzees are rational maximizers in an ultimatum game. *Science*, *318*, 107-109. doi:10.1126/science.1145850

Kahneman, D. (2011). Thinking, fast and slow. New York: Macmillan Us.

- Kahneman, D., & Tversky, A. (1979). Prospect Theory: An Analysis of Decision under Risk. *Econometrica*, 47, 263-292. doi:10.2307/1914185
- Knobe, J. (2010). Person as scientist, person as moralist. *Behavioral and Brain Sciences*, 33, 315-365. doi:10.1017/S0140525X10000907
- Krohne, H. W., Egloff, Kohlmann, C.-W., & Tausch, A. (1996). Untersuchungen mit einer deutschen Version der "Positive and Negative Affect Schedule" (PANAS). *Diagnostica*, 42(2), 139-156. Retrieved from http://www.hogrefe.de/zeitschriften/diagnostica/
- Ledyard, J. (1995). Public Goods: A Survey of Experimental Research. In A. Roth & J. Kagel (Eds.), *Handbook of Experimental Economics* (pp. 111-194). Princeton: Princeton University Press.

Luo, Q., Nakic, M., Wheatley, T., Richell, R., Martin, A., R., & Blair, R. (2006). The neural basis

of implicit moral attitude - an IAT study using event-related fMRI. *NeuroImage*, *30*, 449-57. doi:10.1016/j.neuroimage.2005.11.005

- McGraw, A. P., & Tetlock, P. E. (2005). Taboo Trade-Offs, Relational Framing, and the Acceptability of Exchanges. *Journal of Consumer Psychology*, 15, 2-15. doi:10.1207/s15327663jcp1501_2
- McGraw, A. P., Tetlock, P. E., & Kristel, O. V. (2003). The Limits of Fungibility: Relational Schemata and the Value of Things. *Journal of Consumer Research*, 30, 219-229. doi: 10.1086/376805
- Mellers, B. A., Haselhuhn, M. P., Tetlock, P. E., Silva, J. C., & Isen, A. (2010). Predicting behavior in economic games by looking through the eyes of the players. *Journal of Experimental Psychology: General*, 139, 743-755. doi:10.1037/a0020280
- Mikhail, J. (2007). Universal moral grammar: theory, evidence and the future. *Trends in Cognitive Sciences*, 11, 143-152. doi:10.1016/j.tics.2006.12.007
- Mikulincer, M., Birnbaum, G., Woddis, D., & Nachmias, O. (2000). Stress and accessibility of proximity-related thoughts: Exploring the normative and intraindividual components of attachment theory. *Journal of Personality and Social Psychology*, 78, 509-523. doi:10.1037//0022-3514.78.3.509
- Neumann, J. v. (1928). Zur Theorie der Gesellschaftsspiele. *Mathematische Annalen, 100*, 295-320. doi:10.1007/BF01448847
- Nowak, M. A. (2006). Five rules for the evolution of cooperation. *Science*, *314*, 1560-1563. doi:10.1126/science.1133755
- Nowak, M. A., & Sigmund, K. (2005). Evolution of indirect reciprocity. *Nature*, 437, 1291-1298. doi:10.1038/nature04131

- Penner, L. A., Dovidio, J. F., Piliavin, J. A., & Schroeder, D. A. (2005). Prosocial behaviour: multilevel perspectives. *Annual Review of Psychology*, 56, 365-392. doi:10.1146/annurev.psych.56.091103.070141
- Rai, T. S., & Fiske, A. P. (2011). Moral psychology is relationship regulation: Moral motives for unity, hierarchy, equality, and proportionality. *Psychological Review*, *118*, 57-75. doi:10.1037/a0021867
- Rangel, A., Camerer, C., & Montague, P. R. (2008). A framework for studying the neurobiology of value-based decision making. *Nature Reviews Neuroscience*, 9, 545-556. doi:10.1038/nrn2357
- Rasmusen, E. (2007). *Games and Information. An Introduction to Game Theory*. Oxford: Blackwell Publishing.
- Rogers, J. L., Howard, K. I., & Vessey J. T. (1993). Using Significance Tests to Evaluate
 Equivalence Between Two Experimental Groups. *Psychological Bulletin*, *113*, 553-565.
 doi:10.1037//0033-2909.113.3.553
- Sanfey, A. G., Rilling, J. K., Aronson, J. A., Nystrom, L. E., & Cohen, J. D. (2003). The Neural Basis of Economic Decision-Making in the Ultimatum Game. *Science*, 300, 1755-1758. doi:10.1126/science.1082976
- Selten, R., & Ockenfels, A. (1998). An Experimental Solidarity Game. Journal of Economic Behavior and Organization, 34, 517-539. doi:10.1016/S0167-2681(97)00107-8
- Shah, J. Y., & Kruglanski, A. W. (2002). Priming against your will: How accessible alternatives affect goal pursuit. *Journal of Experimental Social Psychology*, 38, 368-383. doi:10.1016/S0022-1031(02)00005-7

Strack, F., & Deutsch, R. (2004). Reflective and Impulsive Determinants of Social Behavior.

Personality and Social Psychology Review, 8, 220-247. doi:10.1207/s15327957pspr0803_1

- Tajfel, H. (1970). Experiments in intergroup discrimination. *Scientific American*, 223, 96-102, 10.1037/0022-3514.42.6.1051
- Tomasello, M., & Vaish, A. (2013). Origins of Human Cooperation and Morality. *Annual Review* of Psychology, 64, 4.1-4.25. doi:10.1146/annurev-psych-113011-143812
- Trivers, R. L. (1971). The evolution of reciprocal altruism. *Quarterly Review of Biology*, 46, 35-57. doi:10.1086/406755
- Trivers, R. (1978). The Evolution of Reciprocal Altruism. San Francisco: Readings in Sociobiology.
- Turiel, E. (1983). *The Development of Social Knowledge: Morality and Convention*. Cambridge:Cambridge University Press.
- Tversky, A., & Kahneman, D. (1974). Judgment under uncertainty: Heuristics and Biases. Science, 185, 1124-1131. doi:10.1126/science.185.4157.1124
- Vohs, K. D., Mead, N. L., & Goode, M. R. (2008). Merely Activating the Concept of Money Changes Personal and Interpersonal Behavior. *Current Directions in Psychological Science*, 17, 208-212. doi:10.1111/j.1467-8721.2008.00576.x
- Zajonc, R. B. (1980). Feeling and thinking: Preferences need no inferences. *American Psychologist, 35*, 151-175. doi:10.1037//0003-066X.35.2.151

Appendix A: The Dyadic Solidarity Game (DSG)

Description

In the DSG two persons engage in one-shot interpersonal decision making in a dyad (see Figure A1). In our experiments both receive $10 \in$ to their disposal. Each person can win up to $10 \in$ with a probability of 2/3 (if a dice shows number 1, 2, 3, or 4) or lose up to $10 \in$ with a probability of 1/3 (if a dice shows 5 or 6). Before the dice is tossed each person decides whether he/she wants to put money aside, which will be given to the other person in the case of losing. Hence participants can divide the $10 \in$ in two partial amounts (Amount A and Amount B). Each person receives Amount A for his/herself in case of winning. In case of losing, each person will receive the Amount B put aside by the respective other person (see Figure A1). The payoff for each of the two persons of a dyad (Person 1 and Person 2) is depicted below.

$$Payoff_{Person 1} = \begin{cases} 10 \notin -Amount B_{Person 1} & \text{if dice} \in \{1, 2, 3, 4\} \\ 0 \notin +Amount B_{Person 2} & \text{if dice} \in \{5, 6\} \end{cases}$$

$$Payoff_{Person 2} = \begin{cases} 10 \notin -Amount B_{Person 2} & \text{if dice} \in \{1, 2, 3, 4\} \\ 0 \notin +Amount B_{Person 1} & \text{if dice} \in \{5, 6\} \end{cases}$$

Amount $B \in [0 \in ; 10 \in]$

From a classic standard expected utility perspective (i.e., maximizing one's own profit), participants are expected to not allocate any money to Amount B. The expected utility for the economic decision of the two players (Person 1 and Player 2) in the DSG is:

$$\mathsf{E}(u_i) = \sum p_x \, u \, (x)$$

with i = {Person 1, Person 2}

u(x) = x

 $x = \{Amount A_{Person i}, Amount B_{Person \neg i}\}$

and
$$p_{\text{Amount A}} = \frac{2}{3}$$
, $p_{\text{Amount B}} = \frac{1}{3}$

In the experiments, which are described in this paper Amount A and Amount B were determined as follows:

Amount A_{Person i} + Amount B_{Person i} = 10€ and

Amount $A_{Person i} \in [0 \in ; 10 \in]$

Therefore from a classic standard expected utility perspective a player's optimal choice is:

Amount $A^*_{Person i} = 10 \in$

Differences and Similarities Between DSG, SG and Relevant Other Economic Games

The DSG (a two person game) is easier to employ by investigators and easier to understand by participants than the Solidarity Game (SG; a three person game; Selten & Ockenfels, 1998). In DSG gift giving is *unconditional*, and gift receiving is conditional upon oneself loosing (i.e., one only receives a gift if the dice shows a 5 or 6). In SG actual gift giving is conditional upon winning and one or two others loosing. Thus, in SG more complex giftdistributions have to be calculated, conditional upon (one or two) others losing, than in DSG. In DSG no distributional considerations among several others need to be made, which reduces cognitive load and the likelihood of confusion.

In several noteworthy respects, SG and DSG are concordantly similar to and distinct from other economic decision making games widely used in the experimental literature for establishing evidence about the expression of other-regarding behavior. SG and DSG are similar to the Dictator Game (Forsythe et al., 1994) which is known as a benchmark test for altruism. However, the Dictator Game creates an asymmetric interpersonal situation where only one person is a donor and the other person serves as an (inactive) recipient. The altruism-benchmark of the Dictator Game applies only to participants who take the role of a donor. The SG and DSG are symmetric in the sense that all participants are donors *and* receivers simultaneously. Moreover, SG and DSG both imply a motivational element of trust in reciprocity and mutuality, speaking to

the potential expression of moral motives different from pure altruism, which is missing in a oneshot Dictator Game. SG and DSG are also similar to the Public Good Game (for a review see Ledyard, 1995) in that a person can contribute to a common pool, but they differ from it, in that in Public Good Games often the total amount of the pool can increase depending on the interplay of the players' decisions. In SG and DSG the total amount available does not increase. Instead the donated proportions can be used to mitigate losses of the other person only. This feature of SG and DSG makes them also highly similar to Risk Sharing Games without commitment (Charness & Genicot, 2009). Because SG and DSG are one-shot games, they are actually equal to a Risk Sharing Game without commitment with a continuation probability of zero.

DSG Pilot Experiment (Control Condition)

In order to establish a DSG baseline and control condition (no manipulation of moral motives) and to compare the decision making outcomes from DSG with published results from SG (Selten & Ockenfels, 1998; Brosig-Koch et al., 2011), 18 participants (sex: 61% female; age: M = 23.94 years, SD = 2.75 years) from a large University in a German-speaking country engaged in DSG which was explained to them before beginning the experiment. The study was conducted in a laboratory at the Department of Economics which complies with the rules common to experimental economists. All 18 participants were seated in cubicles in one room and knew that they interacted with one other participant in the room not known to them. Upon receiving the instructions participants entered their decision (10€ split into Amounts A and B) in a computer (see Figure A1). After submitting a dice was thrown and individual payoffs were shown on the computer for each participant. In addition to the individual payoff participants were paid a 4€ show up fee. The average Amount B that was given to the other person in case of losing (i.e., the dice showed a 5 or 6) was $2.50 \in (SD = 1.47 \in, Min = 0 \in; Max = 4 \in;$ also see Table 1). This result is inconsistent with the maximum of the expected utility, as the Amount B is

50

significantly greater than $0 \in (t(17) = 7.24, p<.001, 95\%$ CI [1.77, 3.23]). The result is consistent with the results reported by Selten and Ockenfels (1998) and Brosig-Koch et al. (2011), who present data from an earlier SG study comparing East and West German participants in 1995 and its replication in 2009. For better comparison, the percentage of the total amount given (the German cash currency was changed from DM to Euro in January 2002)⁸ in DSG was compared to the SG condition "gift to one other person, when one other person was losing" only for the West German group of participants: DSG (2011) = 25.0%, SG (1998) = 24.6%, SG (1995) = 25.8%, SG (2009) = 22.6%.

⁸ DM = Deutsche Mark, the former currency of Germany. Participants in the Dyadic Solidarity Game were given 10DM to their disposal, as the study was conducted before the introduction of the Euro (ϵ). From the 10DM they gave 2.46 DM to the other person in case of losing.

Appendix B: The Self-Insurance Game (SIG)

Description

The SIG constitutes a one-shot *solitaire* (one player) situation of economic decision making which is identical to the Dyadic Solidarity Game (DSG) in all but one respect: the person interacts with his/herself (for a visualization of the SIG see Figure B1). Each person is given 10ε for his/her disposal and he/she can win up to 10ε with a probability of 2/3 (if a dice shows number 1, 2, 3, or 4) or lose it with a probability of 1/3 (if the dice shows 5 or 6). However, before the dice is tossed the person can choose to put aside some money, which he/she will receive his/herself in case of losing (i.e., the dice shows 5 or 6). Hence participants can divide the 10ε in two partial amounts: Amount A and Amount B. The person will receive Amount A in case the dice shows 1, 2, 3, or 4 and Amount B in case the dice shows 5 or 6. From a classic expected utility theoretical perspective, persons in the SIG are expected to not allocate any money to Amount B as in DSG described in Figure A1. The payoff in SIG can be formally described as is shown below.

Amount $B \in [0 \in ; 10 \in]$

From a classic standard expected utility perspective (i.e., maximizing one's own profit), participants are expected to not allocate any money to Amount B. The expected utility for the economic decision of each player in the SIG is:

$$E(u) = \sum p_x u(x)$$
$$u(x) = x$$

x = {Amount A, Amount B}

and $p_{\text{Amount A}} = \frac{2}{3}$, $p_{\text{Amount B}} = \frac{1}{3}$

In the experiments, which are described in this paper Amount A and Amount B were determined as follows:

Amount A + Amount B = 10€ and

Amount $A \in [0 \in ; 10 \in]$

Therefore from a classic standard expected utility perspective a player's optimal choice is:

Amount $A^* = 10 \in$

SIG Pilot Experiment

Analogous to the DSG a control condition and baseline (no manipulation of moral motives) was established by conducting a SIG Pilot Experiment. 24 participants (sex: 54% female; age: M=23.92 years, SD=3.17 years) from a large University in a German-speaking country engaged in SIG. The laboratory sessions took place in the Department of Economics. Participants were paid a 4€ show up fee in addition to the payoff of the game. All 24 participants were seated in cubicles in one room during the study. First, participants were given the instructions, second, participants made their decision, third, the dice was tossed and fourth, participants were informed about their payoff. They received the payoff in addition to the 4€ show up fee. The average Amount B that was put aside for oneself in case the dice showed a 5 or 6 was $3.20 \in (SD = 1.31 \in, Min = 0 \in, Max = 5 \in;$ also see Table 1), which is greater than $0 \in (t(23) = 11.99, p < .001, 95\%$ CI [2.65, 3.75]) and therefore inconsistent with the maximum of the expected utility.

Appendix C: Manipulation of Moral Motives

Framing Instructions

Unity frame. "This study is about the topic 'common welfare in a group or society'. Thereby it is assessed, how people behave if they aim to maximize the common profit for a group or a society. We want to answer the question, how people can find a social and stable equilibrium, to which everyone is contributing and from which everyone is taking. As this study is about a situation of cooperative and social action, you will have a partner in this experimental task. This person will be named 'the other person' hence forth."

Proportionality frame. "This study is about the topic 'cost-benefit-analysis on free markets or on stock exchange'. Thereby it is assessed, how people behave if they aim to maximize their own profit while competing against others. We want to answer the question, how people can maximize their own gains and can attain the best results for themselves. As this study is about a situation of competition and individual profit maximization through cost-benefit-analysis, you will have an opponent in this experimental task. This person will be named 'the other person' hence forth."

Table 1

Descriptive Data for Experiments 1 to 4 and Pilot Experiments

	Manipulation			Game						
		.	DSG			SIG				Location
Experi-	Tumo	Moral Motives	N	Mean	SD	N	Mean	SD	Show	(single vs. first
ment	Туре	Moral Motives	IN	Mean	3D	IN	Mean	3D	up Fee	Experiment)
DSG Pilot	Control	No manipulation	18	2.50	1.47				4€	Department Economics (single)
SIG Pilot	Control	No manipulation				24	3.20	1.31	4€	Department Economics (single)
1	Framing	Unity	38	3.34	1.46				bar of	Department
		Proportionality	37	2.32	1.51				choco- late	Psychology (single)
		Total	75	2.84	1.56					
2	Priming	Unity	23	3.91	0.95				10€	Department
		Proportionality	22	3.09	1.57					Psychology
		Total	45	3.51	1.34					(first)
3	Framing	Unity	18	3.11	1.71	25	3.30	1.97	4€	Department
		Proportionality	27	1.67	1.52	18	3.58	1.51		Economics
		Total	45	2.24	1.73	43	3.42	1.78		(single)
4	Priming	Unity	21	3.81	1.08	24	3.58	1.38	extra credit	Department
		Proportionality	22	2.77	1.95	22	3.82	1.30		Psychology
		Total	43	3.28	1.65	46	3.70	1.33		(first)

Note. $DSG = Dyadic Solidarity Game. SIG = Self-Insurance Game. (single) = the experiment was conducted as a stand-alone study; (first) = the experiment was conducted as a first experiment in a series of experiments. Means and Standard deviations show the amount of Euro (<math>\in$).

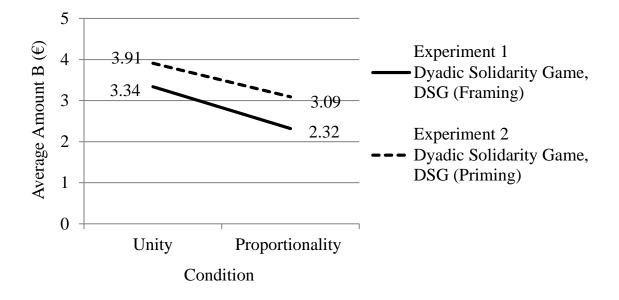


Figure 1. Visualization of the results of Experiments 1 and 2.

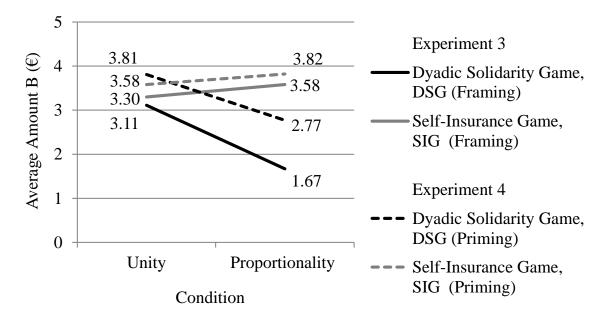
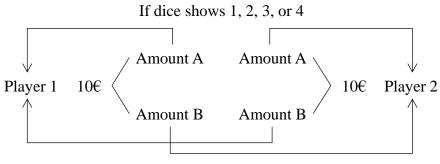


Figure 2. Visualization of the results of Experiments 3 and 4.



If dice shows 5 or 6

Figure A1. Dyadic Solidarity Game (DSG; two interacting players).

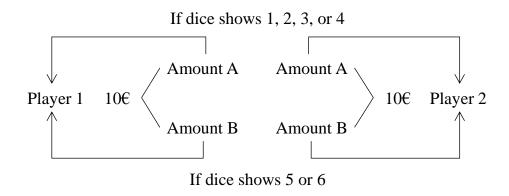


Figure B1. Self-Insurance Game (SIG; two solitaire acting players).